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O 241400Z NOV 06
FM AMCONSUL JERUSALEM
TO RUEHC/SECSTATE WASHDC 0000
INFO ARAB ISRAELI COLLECTIVE
RHEHNSC/NSC WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUEHBS/USEU BRUSSELS

C O N F I D E N T I A L JERUSALEM 004844

SIPDIS

SENSITIVE
SIPDIS

NEA FOR FRONT OFFICE; NEA/IPA FOR
WILLIAMS/SHAMPAINE/STEINGER; NSC FOR ABRAMS/DORAN/WATERS;
TREASURY FOR NUGENT/HIRSON; BRUSSELS FOR LERNER; PLEASE
PASS TO USAID FOR KUNDER/MCCLOUD/BORODIN

E.O. 12958: DECL: 11/24/16
TAGS: [EFIN](#) [ELAB](#) [PGOV](#) [KWBG](#)
SUBJECT: TEACHERS RECEIVE BALANCE OF NOVEMBER SALARIES;
SECURITY SERVICES RECEIVE NIS 1000 ALLOWANCE

REF: JERUSALEM 4787

CLASSIFIED BY: DEPUTY PRINCIPAL OFFICER THOMAS DUFFY, REASONS 1.4 (B) A
ND (D)

1. (C) PA PRESIDENCY ECONOMIC ADVISOR MOHAMMED MUSTAFA
CONFIRMED TO ECONCHIEF NOVEMBER 22 THAT THE PRESIDENCY WAS
PAYING THE BALANCE OF PA TEACHERS NOVEMBER SALARIES THROUGH
BANKS OUT OF FUNDS THE PRESIDENCY HAD RECEIVED FROM THE STATE
OF KUWAIT. ARAB BANK, BANK OF PALESTINE, AND BANK OF JORDAN
REPRESENTATIVES ALL CONFIRMED NOVEMBER 22 THAT THEY HAD
STARTED PAYING TEACHERS THAT DAY. ACCORDING TO THE AGREEMENT
ENDING THE STRIKE, TEACHERS WERE PAID THROUGH POST OFFICES A
FLAT RATE PAYMENT OF NIS 1000 FROM THE PA FINANCE MINISTRY ON
NOVEMBER 11 (REFTEL) SO THAT SCHOOLS COULD OPEN AND WERE DUE
TO BE PAID BY THE PA GOVERNMENT THE BALANCE OF THEIR SALARIES
ON NOVEMBER 20. SINCE THE PA FINANCE MINISTRY DID NOT HAVE
THE AVAILABLE FUNDS TO PAY THE BALANCE OF SALARIES, THE PA
PRESIDENCY STEPPED IN.

2. (C) PA PRESIDENCY STAFF MEMBER KHALED ZEIDAN CONFIRMED TO
ECONCHIEF NOVEMBER 24 THAT THE PRESIDENCY HAD PAID SECURITY
PERSONNEL, BOTH CURRENT EMPLOYEES AND PENSIONERS, A FLAT RATE
ALLOWANCE OF NIS 1000 (USD 232), ALSO FROM THE KUWAITI
TRANSFER, BEGINNING NOVEMBER 23. ACCORDING TO PALESTINIAN
TELEVISION, SOME SECURITY FORCE PERSONNEL IN GAZA PROTESTED
THE COMMERCIAL BANKS' DECISION TO DEDUCT 20 PERCENT FROM THE
ALLOWANCES OF THOSE WITH OUTSTANDING LOANS FROM THE
COMMERCIAL BANKS. (NOTE: SINCE SEPTEMBER, COMMERCIAL BANKS
HAVE DEDUCTED 20 PERCENT FROM ALL ALLOWANCE PAYMENTS,
REGARDLESS OF THE SOURCE, IF THE INDIVIDUAL HAS AN
OUTSTANDING LOAN FROM THE BANK. END NOTE.) CONGEN FSNI
CONFIRMED THAT OFFICIAL PA SECURITY SERVICE EMPLOYEES,
INCLUDING FROM PREVENTIVE SECURITY, THE PRESIDENTIAL GUARD,
THE NATIONAL SECURITY FORCES, AND THE POLICE, WERE PAID, AND
THAT THE HAMAS EXECUTIVE FORCE HAD NOT BEEN PAID.

3. (C) ZEIDAN SAID THAT THE KUWAIT TRANSFER OF 23 MILLION
EUROS (USD 29.8 MILLION) TO THE PRESIDENCY WAS EXHAUSTED BY
THESE PAYMENTS FOR TEACHERS (NIS 55.380 M/USD 12.84 M) AND
FOR SECURITY SERVICES MEMBERS (NIS 79 M/USD 18.3 M).
(COMMENT: OUR CALCULATIONS INDICATE THAT THEY WOULD HAVE
NEEDED TO USE USD 1.3 MILLION FROM ANOTHER SOURCE. END
COMMENT.)
WALLES